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February 28, 1996

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William F. Caton
Acting Secretary
Federal Communications Commission
Room 222
1919 M Street, NW
Washington, DC 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Re: Written Ex Parte Presentation - PP Docket No. 93-253

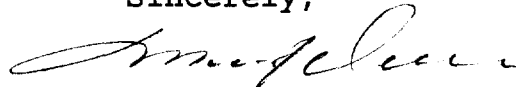
Dear Mr. Caton:

Cook Inlet Region, Inc. ("CIRI") hereby gives notice of a written ex parte presentation in the above-referenced proceeding. The presentation was made in the form of the attached letter.

CIRI delivered the attached letter to Chairman Hundt and to Commissioners Quello, Barrett, Chong, and Ness. CIRI also delivered the letter to individuals in the Office of the General Counsel, the Office of Plans and Policy, the Wireless Telecommunications Bureau, and the Auctions Division.

Two copies of the letter are submitted herewith pursuant to Section 1.1206(a)(1) of the Commission's Rules, 47 C.F.R. § 1.1206(a)(1) (1994).

Sincerely,



Mark F. Dever

Enclosures

cc: The Honorable Reed E. Hundt
The Honorable James H. Quello
The Honorable Andrew C. Barrett
The Honorable Rachelle B. Chong
The Honorable Susan Ness

(continued)

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DRINKER BIDDLE & REATH

William F. Caton
February 28, 1996
Page 2

William E. Kennard
Peter A. Tenhula
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Kathleen O'Brien Ham

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COOK INLET COMMUNICATIONS

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

The Honorable Reed E. Hundt
Chairman, Federal Communications
Commission
1919 M Street, NW
Washington, DC 20554

Re: **Broadband PCS D, E, and F Block Auctions**

Dear Chairman Hundt:

Cook Inlet Region, Inc. ("CIRI") is pleased to submit a summary of its views on the timing and scope of the forthcoming broadband personal communications services ("PCS") D, E, and F block auctions. This promises to be a busy year as the Commission undertakes the many proceedings and inquiries required under the Telecommunications Act of 1996. CIRI is eager to see that the remaining broadband PCS auctions are conducted without administrative or judicial delay during this busy time.

Against this background, CIRI urges the Commission to begin the D, E, and F block auctions by not later than mid-August, 1996. Auctions conducted with expedition will mean that winners in the broadband PCS A, B, and C block auctions and other service providers will be able to put spectrum to its most efficient use, that the government will capture stronger economic values for the licenses, and that the public will benefit from the more rapid development of and completion of broadband PCS service. CIRI encourages the Commission to undertake the rulemakings necessary for those auctions so that statutory requirements for expediency are met before other proceedings claim the Commission's limited resources.

Substantively, CIRI believes the most noteworthy event is the value being captured by the FCC and the government for broadband PCS spectrum through the C block auction. The many sincere "small business" bidders in the C block and the dramatic influx of capital from outside the industry demonstrates that the Commission can disseminate licenses among a wide variety of applicants. At the same time, much can be learned from the progress of the C block auction and the Commission can apply those lessons to enhance the quality of the auctions to come.

The Honorable Reed E. Hundt

February 28, 1996

Page 2

Specifically, to build on the success of the C block auction, CIRI strongly urges the Commission to limit eligibility for the D block auction to smaller businesses as defined in the C block rules. Limiting eligibility and offering small business upfront payments, bidding credits, and installment payment plans for that auction will help smaller entities truly to enter the market and compete with the larger, established telecommunications service providers.

At the same time, to ensure that only serious smaller bidders participate in the auction, the Commission should consider implementing several D block eligibility screens. These might include (i) disqualifying entities found to have abused the Commission's Rules in previous auctions (e.g., through bidding irregularities or failing to make a downpayment); (ii) requiring higher upfront payments (e.g., \$0.05 per MHz per pop) and downpayments (e.g., 30 percent); and (iii) limiting to 100 the number of licenses that a party may win in the C, D, and F blocks combined. In particular, higher upfront payments and downpayments will give smaller businesses a greater stake in the outcome of the auction and will aid the Commission in enforcing penalties for insincere bidding. They also will limit participation to those entities with the resources to make good on their D block bids.

Outside of the D block, larger entities — including licensees in the A and B blocks — will have ample opportunity to bid for and acquire additional spectrum in the E block, while small businesses and/or businesses owned by members of minority groups and women may bid for licenses in the F block. CIRI urges the Commission to conduct the D, E, and F block auctions concurrently, but to consider holding separate auction events for each or some combination of the three. Previous administrative and judicial delays on the road to the C block frustrated the ability of many potential bidders to participate in the auction. Concurrent but severable D, E, and F block auctions will permit some auctions to go forward in the event of administrative or judicial delays limited to just one. In connection with expeditious auctions and expanded small business provisions, these rules will help the Commission to fulfill the promise of broadband PCS in this time of exciting change and development.

I will be pleased to discuss these considerations with you at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve C. Hillard", with a stylized flourish at the end.

Steve C. Hillard
Vice President

The Honorable Reed E. Hundt
February 28, 1996
Page 3

cc: **The Honorable James H. Quello**
 The Honorable Andrew C. Barrett
 The Honorable Rachelle B. Chong
 The Honorable Susan Ness

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